

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

DINESH BANURS, Individually and on  
Behalf of All Others Similarly Situated,

Plaintiff,

v.

LI AUTO INC., XIANG LI, TIE LI, and  
DONGHUI MA,

Defendants.

Case No.

**CLASS ACTION COMPLAINT**

**JURY TRIAL DEMANDED**

Plaintiff Dinesh Banurs (“Plaintiff”), individually and on behalf of all others similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants, alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through Plaintiff’s attorneys, which included, among other things, a review of the Defendants’ public documents, conference calls and announcements made by Defendants, United States (“U.S.”) Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and regarding Li Auto Inc. (“Li Auto” or the “Company”), analysts’ reports and advisories about the Company, and information readily obtainable on the Internet. Plaintiff believes that substantial, additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

**NATURE OF THE ACTION**

1. This is a federal securities class action on behalf of a class consisting of all persons and entities other than Defendants that purchased or otherwise acquired Li Auto securities between February 26, 2024 and March 20, 2024, both dates inclusive (the “Class Period”), seeking to

recover damages caused by Defendants' violations of the federal securities laws and to pursue remedies under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder, against the Company and certain of its top officials.

2. Li Auto operates in the energy vehicle market in the People's Republic of China ("China") and designs, develops, manufactures, and sells smart electric vehicles. The Company's product line includes multi-purpose vehicles ("MPVs") and sport utility vehicles ("SUVs").

3. In early 2024, Li Auto made a series of announcements touting the purportedly high demand for its electric vehicles and representing that the Company was "consistently improving operating efficiency throughout the year." In late February 2024, Li Auto announced that it expected to deliver between 100,000 and 103,000 vehicles in the first quarter of 2024, "representing an increase of 90.2% to 95.9% from the first quarter of 2023." Shortly thereafter, on March 1, 2024, Li Auto launched its first battery electric vehicle ("BEV") model, the Li MEGA. According to the Company, the Li MEGA "provides big families with a blend of energy replenishment experience as efficient as traditional [internal combustion engine ("ICE")] vehicle refueling, next-generation design and exceptionally low drag coefficient, roomy and comfortable space, flagship-level performance and safety features, and superior intelligent experience."

4. Throughout the Class Period, Defendants made materially false and misleading statements regarding the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (i) Li Auto had overstated the demand for its vehicles and the efficacy of its operating strategy in launching the Li MEGA; (ii) accordingly, the Company was unlikely to meet its Q1 2024 vehicle deliveries estimate; (iii) the foregoing, once revealed, was likely to have a material negative impact on the Company's

financial condition; and (iv) as a result, the Company's public statements were materially false and misleading at all relevant times.

5. On March 21, 2024, Li Auto issued a press release disclosing that, “[d]ue to lower-than-expected order intake, the Company now expects its vehicle deliveries for the first quarter of 2024 to be between 76,000 and 78,000 vehicles, revised from the previous vehicle delivery outlook of between 100,000 and 103,000 vehicles.” In addition, the Company stated that the Li MEGA had an operating strategy that was “mis-paced,” noting that operations were planned as if the model had already entered the “scaling phase” of sales—that is, the phase focusing mainly on customer acquisition, team building, and operational efficiency for sustainable growth—while it was still in the early “validation” period, during which the Company would focus on creating a product market fit by idea validation and product refinement. Further, the Company stated that it will revert to the validation phase of sales by shifting its focus toward its core user group, target sales to cities with stronger purchasing power, and then will look to expand to a broader user base.

6. On this news, Li Auto's American Depositary Share (“ADS”) price fell \$2.55 per ADS, or 7.48%, to close at \$31.53 per ADS on March 21, 2024.

7. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

### **JURISDICTION AND VENUE**

8. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

9. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331 and Section 27 of the Exchange Act.

10. Venue is proper in this Judicial District pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1391(b). Pursuant to Li Auto's most recently filed annual report on Form 20-F, as of December 31, 2023, there were 1,738,408,250 of the Company's Class A ordinary shares and 355,812,080 of the Company's Class B ordinary shares outstanding. Li Auto's securities trade on the Nasdaq Global Select Market ("NASDAQ"). Accordingly, there are presumably hundreds, if not thousands of investors in Li Auto's securities located within the U.S., some of whom undoubtedly reside in this Judicial District.

11. In connection with the acts alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications, and the facilities of the national securities markets.

### **PARTIES**

12. Plaintiff, as set forth in the attached Certification, acquired Li Auto securities at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosures.

13. Defendant Li Auto is incorporated in the Cayman Islands with principal executive offices located at 11 Wenliang Street, Shunyi District, Beijing 101399, China. The Company's ADSs trade in an efficient market on the NASDAQ under the ticker symbol "LI".

14. Defendant Xiang Li ("X. Li") has served as Li Auto's Chief Executive Officer at all relevant times.

15. Defendant Tie Li (“T. Li”) has served as Li Auto’s Chief Financial Officer at all relevant times.

16. Defendant Donghui Ma (“Ma”) has served as Li Auto’s President and Executive Director at all relevant times.

17. Defendants X. Li, T. Li, and Ma are collectively referred to herein as the “Individual Defendants”.

18. The Individual Defendants possessed the power and authority to control the contents of Li Auto’s SEC filings, press releases, and other market communications. The Individual Defendants were provided with copies of Li Auto’s SEC filings and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or to cause them to be corrected. Because of their positions with Li Auto, and their access to material information available to them but not to the public, the Individual Defendants knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public, and that the positive representations being made were then materially false and misleading. The Individual Defendants are liable for the false statements and omissions pleaded herein.

19. Li Auto and the Individual Defendants are collectively referred to herein as “Defendants”.

## **SUBSTANTIVE ALLEGATIONS**

### **Background**

20. Li Auto operates in the energy vehicle market in China and designs, develops, manufactures, and sells smart electric vehicles. The Company’s product line comprises MPVs and SUVs.

### **Materially False and Misleading Statements Issued During the Class Period**

21. The Class Period begins on February 26, 2024, when Li Auto issued a press release during pre-market hours announcing its unaudited fourth quarter and full year 2023 financial results. The press release stated, in relevant part:

[Defendant X. Li] [. . .] commented, “Undeterred by the fiercely competitive NEV market in 2023, Li Auto achieved an outstanding performance with its three Li L series models. Full-year deliveries grew by 182.2%, reaching 376,030 vehicles, making us the best-selling brand among NEVs priced above RMB300,000 in China. In December, we released the OTA version 5.0 for Li L series. With comprehensive enhancement in autonomous driving and smart space, we bring even more exceptional experience to family users. *With our significantly increasing scale, continued research and development advancement, and consistently improving operating efficiency throughout the year, 2023 marks our best financial performance yet, setting a solid foundation for Li Auto’s growth to diversify its product matrix and cater to a broader range of user needs in 2024.*”

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### **Business Outlook**

For the first quarter of 2024, the Company expects:

- **Deliveries of vehicles** to be between *100,000 and 103,000 vehicles, representing an increase of 90.2% to 95.9% from the first quarter of 2023.*<sup>1</sup>

22. That same day, Li Auto hosted an earnings call with investors and analysts to discuss the Company’s Q4 2023 results (the “Q4 2023 Earnings Call”). During the scripted portion of the Q4 2023 Earnings Call, Defendant X. Li stated, in relevant part:

In 2024, the virtuous cycle of our business growth will solidify our long-term profitability, cash generation -- generating capabilities and capital base. This trajectory will further deepen our R&D efforts across products, platforms and systems, ensuring consistent delivery of exceptional products and services to our users in the long run. *2024 will be an unprecedented year of new product launches for Li Auto, beginning in March with the launch of our high-tech flagship and family MPV, Li MEGA, developed on a pure BEV platform, Li MEGA integrates*

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<sup>1</sup> All emphases included herein are added unless otherwise indicated.

***the latest technological advancements in 5C BEV technologies, smart space and autonomous driving.***

We also plan to begin mass delivery of 2024 model year Li L7, L8 and L9 models starting in March. You're all welcome to tune into our Li Auto 2024 Spring product launch event, this Friday, March 1, where we'll be unveiling more exciting vehicles about Li MEGA and our 2024 model year L Series.

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On the production front, Li Auto's Beijing Green Intelligent Manufacturing base went into production towards the end of 2023, ready for volume production of Li MEGA and subsequent BEV models. ***With volume production delivery of Li MEGA and 2024 model year, L7, L8 and L9, we expect our total vehicle deliveries for Q1 2024 to range between 100,000 units to 103,000 units with March delivery exceeding 50,000 units. In 2024, we'll continue to learn from the best enterprises, iterate ourselves and surpass expectations as we create mobile homes and create happiness.***

23. Further, during the Q&A portion of the Q4 2023 Earnings Call, a market analyst asked “because Li Auto first quarter volume guidance of 100,000 to 103,000 units implies a very significant ramp in March to 50,000 units or more” and “considering several new models are coming to the market at about the same time, including MEGA L6, with a whole L Series,” “[w]ould there be any risk of supply bottleneck into March and April [and] [w]hat has the company done so far to ensure this new production ramp deliveries[?]” In response, Defendant Ma stated, in relevant part:

***First of all, we have a lot of great experience in the new product launches and ramp up to achieve volume shortly after product launch.*** In the first calendar month after the launch of L7 and L9, respectively, we have been able to successfully produce and deliver over 10,000 units for each model. And we have collected all these best practices and lessons learned in and put them into our system. ***So whether it's new factories or new employees, they're all able to very easily replicate the success in the past.***

***In terms of new models, on the R&D front, all the new vehicle lines are being developed on schedule.*** And in terms of production, we have already completed the construction of our factories ahead of time. And recruited and trained the relevant product -- blue collar workers.

On the supply front, we have already built the supply capabilities and completed the risk analysis and have created plans and strategies based on the risks identified. ***And on the planning front, using our new integrated planning system we have connected supply and demand end-to-end and have lock down all of the necessary requirements from end-to-end. 2024 will be a big year for our -- in terms of new product launches and we're very confident to maintain the consistency and timeliness of our supply.***

24. In addition, when asked during the Q&A portion of the Q4 2023 Earnings Call to discuss the Company's plans for various electric vehicles, Defendant X. Li stated, in relevant part:

For the first half of the year, we will be releasing in our March 1st spring event, Li MEGA as well as 2024 model year Li L7, L8, and L9 and also in first half, we'll be releasing the L6. In the second half of the year, as we've communicated before, we will be releasing yet another three pure electric SUV models, all standard common standard with 5C charging and all-wheel drive. And I would like to emphasize those cars are very, very competitive. And they will become the top choice for family users in their respective price segments.

2024 will be an unprecedented product year for Li Auto. By the end of the year, we will have four range extended models and four very competitive elect BEV models. [Our] products are all very competitive, and they will together serve the needs of our family users.

25. On February 29, 2024, Li Auto issued a press release providing a delivery update for February 2024, stating, in relevant part:

[T]he Company delivered 20,251 vehicles in February 2024, up 21.8% year over year. The cumulative deliveries of Li Auto vehicles reached 684,780 as of the end of February 2024.

“Even with the impact of Chinese New Year and some trims of Li L series models sold out as we prepare for switching to new models, our average daily delivery in February (excluding the eight-day Chinese New Year holiday period) still increased significantly compared with that of February 2023. We are scheduled to officially launch the long-expected Li MEGA and 2024 Li L series models at our spring launch event this afternoon. Li MEGA is a revolutionary model meticulously crafted to meet the needs of multi-generational households, boasting remarkable product strengths, and effectively addressing the long-standing challenges of range anxiety of BEVs. Additionally, our 2024 Li L7, Li L8, and Li L9 models will come equipped with enhanced functions and features to better serve our family users. With the release and deliveries of these new models, we target to have our monthly deliveries rebound to 50,000 vehicles in March,” commented [Defendant X. Li].



26. On March 1, 2024, Li Auto issued a press release announcing its 2024 Spring Launch Event. The press release stated, in relevant part:

Li Auto [. . .] today hosted its 2024 Spring Launch Event and officially launched Li MEGA, its high-tech flagship family MPV. As the Company's first high-voltage battery electric vehicle, Li MEGA provides big families with a blend of energy replenishment experience as efficient as traditional ICE vehicle refueling, next-generation design and exceptionally low drag coefficient, roomy and comfortable space, flagship-level performance and safety features, and superior intelligent experience.

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Li MEGA aims to assure big families of a superior energy replenishment experience, enabling them to travel without range anxiety. Li MEGA is built on an 800-volt battery electric platform and is equipped with the joint-developed Li Auto-CATL Qilin 5C battery, which has a total capacity of 102.7 kilowatt-hours and can support a CLTC range of 710 kilometers. With Li Auto 5C super charging stalls, Li MEGA can achieve a driving range of 500 kilometers with a 12-minute charge. Furthermore, the Company has been building its super charging network at scale, with plans to invest an aggregate of at least RMB6 billion in the future and to establish over 5,000 self-operated 5C charging stations. Franchised urban charging stations also will be widely deployed in 2024.

27. The statements referenced in ¶¶ 21-26 were materially false and misleading because Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (i) Li Auto had overstated the demand for its vehicles and the efficacy of its operating strategy in launching the Li MEGA; (ii) accordingly, the Company was unlikely to meet its Q1 2024 vehicle deliveries estimate; (iii) the foregoing, once revealed, was likely to have a material negative impact on the Company's financial condition; and (iv) as a result, the Company's public statements were materially false and misleading at all relevant times.

### The Truth Emerges

28. On March 21, 2024, Li Auto issued a press release entitled “Li Auto Inc. Updates First Quarter Delivery Outlook.” The press release stated, in relevant part:

Li Auto [. . .] today provided an updated delivery outlook for the first quarter of 2024. Due to lower-than-expected order intake, *the Company now expects its vehicle deliveries for the first quarter of 2024 to be between 76,000 and 78,000 vehicles*, revised from the previous vehicle delivery outlook of between 100,000 and 103,000 vehicles.

“I want to reflect on a couple of the key issues that we faced in March and provide some insights and solutions.

*“First, we want to acknowledge that the operating strategy of Li MEGA was mis-paced. We planned operations of Li MEGA as if the model had already entered the 1-to-10 scaling phase, while in fact, we were still in the nascent 0-to-1 business validation period.<sup>2</sup> Similar to Li ONE and our EREV technologies, Li MEGA and our BEV technologies will also need to undergo this 0-to-1 validation process. Next, we will first focus on our core user group and target cities with stronger purchasing power, recalibrating the Li MEGA strategy back to the 0-to-1 phase. After that, we will expand our reach to a broader user base and more cities.*

“Second, we put excessive emphasis on sales volume and competition, distracting us from what we excel at — creating value for our users and driving operating efficiency. We will lower our delivery expectations and restore sustainable growth by refocusing on enhancing user value instead of competition, while maintaining operating efficiency,” commented [Defendant X. Li].

29. On this news, Li Auto’s ADS price fell \$2.55 per ADS, or 7.48%, to close at \$31.53 per ADS on March 21, 2024.

30. As a result of Defendants’ wrongful acts and omissions, and the precipitous decline in the market value of the Company’s securities, Plaintiff and other Class members have suffered significant losses and damages.

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<sup>2</sup> During the “validation” period, a Company typically focuses on creating a product market fit by idea validation and product refinement, whereas during the “scaling phase”, a Company typically focuses mainly on customer acquisition, team building, and operational efficiency for sustainable growth.

### **SCIENTER ALLEGATIONS**

31. During the Class Period, Defendants had both the motive and opportunity to commit fraud. They also had actual knowledge of the misleading nature of the statements they made, or acted in reckless disregard of the true information known to them at the time. In so doing, Defendants participated in a scheme to defraud and committed acts, practices, and participated in a course of business that operated as a fraud or deceit on purchasers of the Company's securities during the Class Period.

### **PLAINTIFF'S CLASS ACTION ALLEGATIONS**

32. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired Li Auto securities during the Class Period (the "Class"); and were damaged upon the revelation of the alleged corrective disclosures. Excluded from the Class are Defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

33. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Li Auto securities were actively traded on the NASDAQ. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Li Auto or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

34. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

35. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

36. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the federal securities laws were violated by Defendants' acts as alleged herein;
- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of Li Auto;
- whether the Individual Defendants caused Li Auto to issue false and misleading financial statements during the Class Period;
- whether Defendants acted knowingly or recklessly in issuing false and misleading financial statements;
- whether the prices of Li Auto securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

37. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

38. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- Defendants made public misrepresentations or failed to disclose material facts during the Class Period;
- the omissions and misrepresentations were material;
- Li Auto securities are traded in an efficient market;
- the Company's shares were liquid and traded with moderate to heavy volume during the Class Period;
- the Company traded on the NASDAQ and was covered by multiple analysts;
- the misrepresentations and omissions alleged would tend to induce a reasonable investor to misjudge the value of the Company's securities; and
- Plaintiff and members of the Class purchased, acquired and/or sold Li Auto securities between the time the Defendants failed to disclose or misrepresented material facts and the time the true facts were disclosed, without knowledge of the omitted or misrepresented facts.

39. Based upon the foregoing, Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

40. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128, 92 S. Ct. 2430 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information, as detailed above.

### **COUNT I**

#### **(Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder Against All Defendants)**

41. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

42. This Count is asserted against Defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

43. During the Class Period, Defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon Plaintiff and the other members of the Class; made various untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of Li Auto securities; and (iii) cause Plaintiff and other members of the Class to purchase or otherwise acquire Li Auto securities and options at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each of them, took the actions set forth herein.

44. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the Defendants participated directly or indirectly in the preparation and/or issuance of the quarterly and annual reports, SEC filings, press releases and other statements and documents described above, including statements made to securities analysts and the media that were designed to influence the market for Li Auto securities. Such reports, filings, releases and statements were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about Li Auto's finances and business prospects.

45. By virtue of their positions at Li Auto, Defendants had actual knowledge of the materially false and misleading statements and material omissions alleged herein and intended

thereby to deceive Plaintiff and the other members of the Class, or, in the alternative, Defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to Defendants. Said acts and omissions of Defendants were committed willfully or with reckless disregard for the truth. In addition, each Defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

46. Information showing that Defendants acted knowingly or with reckless disregard for the truth is peculiarly within Defendants' knowledge and control. As the senior managers and/or directors of Li Auto, the Individual Defendants had knowledge of the details of Li Auto's internal affairs.

47. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of Li Auto. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to Li Auto's businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public statements, the market price of Li Auto securities was artificially inflated throughout the Class Period. In ignorance of the adverse facts concerning Li Auto's business and financial condition which were concealed by Defendants, Plaintiff and the other members of the Class purchased or otherwise acquired Li Auto securities at artificially inflated prices and relied upon the price of the securities, the integrity of the market for the securities and/or upon statements disseminated by Defendants, and were damaged thereby.

48. During the Class Period, Li Auto securities were traded on an active and efficient market. Plaintiff and the other members of the Class, relying on the materially false and misleading statements described herein, which the Defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased or otherwise acquired shares of Li Auto securities at prices artificially inflated by Defendants' wrongful conduct. Had Plaintiff and the other members of the Class known the truth, they would not have purchased or otherwise acquired said securities, or would not have purchased or otherwise acquired them at the inflated prices that were paid. At the time of the purchases and/or acquisitions by Plaintiff and the Class, the true value of Li Auto securities was substantially lower than the prices paid by Plaintiff and the other members of the Class. The market price of Li Auto securities declined sharply upon public disclosure of the facts alleged herein to the injury of Plaintiff and Class members.

49. By reason of the conduct alleged herein, Defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

50. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases, acquisitions and sales of the Company's securities during the Class Period, upon the disclosure that the Company had been disseminating misrepresented financial statements to the investing public.

## **COUNT II**

### **(Violations of Section 20(a) of the Exchange Act Against the Individual Defendants)**

51. Plaintiff repeats and re-alleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.



52. During the Class Period, the Individual Defendants participated in the operation and management of Li Auto, and conducted and participated, directly and indirectly, in the conduct of Li Auto's business affairs. Because of their senior positions, they knew the adverse non-public information about Li Auto's misstatement of income and expenses and false financial statements.

53. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to Li Auto's financial condition and results of operations, and to correct promptly any public statements issued by Li Auto which had become materially false or misleading.

54. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which Li Auto disseminated in the marketplace during the Class Period concerning Li Auto's results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause Li Auto to engage in the wrongful acts complained of herein. The Individual Defendants, therefore, were "controlling persons" of Li Auto within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Li Auto securities.

55. Each of the Individual Defendants, therefore, acted as a controlling person of Li Auto. By reason of their senior management positions and/or being directors of Li Auto, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause, Li Auto to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of Li Auto and possessed the power to control the specific activities which comprise the primary violations about which Plaintiff and the other members of the Class complain.

56. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by Li Auto.

**PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiff demands judgment against Defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representative;
- B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;
- C. Awarding Plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and
- D. Awarding such other and further relief as this Court may deem just and proper.

**DEMAND FOR TRIAL BY JURY**

Plaintiff hereby demands a trial by jury.

Dated: May 10, 2024

Respectfully submitted,

POMERANTZ LLP

/s/ Jeremy A. Lieberman

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**CERTIFICATION PURSUANT  
TO FEDERAL SECURITIES LAWS**

1. I, Dinesh Banurs, make this declaration pursuant to Section 27(a)(2) of the Securities Act of 1933 (“Securities Act”) and/or Section 21D(a)(2) of the Securities Exchange Act of 1934 (“Exchange Act”) as amended by the Private Securities Litigation Reform Act of 1995.

2. I have reviewed a Complaint against Li Auto Inc. (“Li Auto”) and authorize the filing of a comparable complaint on my behalf.

3. I did not purchase or acquire Li Auto securities at the direction of plaintiffs’ counsel or in order to participate in any private action arising under the Securities Act or Exchange Act.

4. I am willing to serve as a representative party on behalf of a Class of investors who purchased or otherwise acquired Li Auto securities during the Class Period as specified in the Complaint, including providing testimony at deposition and trial, if necessary. I understand that the Court has the authority to select the most adequate lead plaintiff in this action.

5. The attached sheet lists all of my transactions in Li Auto securities during the Class Period as specified in the Complaint.

6. During the three-year period preceding the date on which this Certification is signed, I have not served or sought to serve as a representative party on behalf of a class under the federal securities laws.

7. I agree not to accept any payment for serving as a representative party on behalf of the Class as set forth in the Complaint, beyond my pro rata share of any recovery, except such reasonable costs and expenses directly relating to the representation of the class as ordered or approved by the Court.

8. I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed 04 / 25 / 2024  
(Date)



\_\_\_\_\_  
(Signature)

Dinesh Banurs  
(Type or Print Name)

Li Auto Inc. (LI)

Dinesh Banurs

List of Purchases and Sales

Transaction Type	Date	Number of Shares/Unit	Price Per Share/Unit
Purchase	3/5/2024	80	\$37.6350
Purchase	3/12/2024	50	\$39.1600
Sale	3/4/2024	(236)	\$40.3500